

Message Text

UNCLASSIFIED

PAGE 01 LONDON 08955 310922Z
ACTION EUR-12

INFO OCT-01 ISO-00 SSO-00 INRE-00 AID-05 CIAE-00
COME-00 EB-07 FRB-01 INR-07 NSAE-00 TRSE-00
XMB-04 OPIC-06 SP-02 EPG-02 OMB-01 NSCE-00 NSC-05
SS-15 STR-04 CEA-01 PA-02 PRS-01 /076 W
-----310924Z 002145 /13

O 310916Z MAY 77
FM AMEMBASSY LONDON
TO SECSTATE WASHDC IMMEDIATE 4514
TREASURY DEPT WASHDC IMMEDIATE
INFO AMEMBASSY LISBON IMMEDIATE

UNCLAS LONDON 08955

PASS FEDERAL RESERVE BOARD

E.O. 11652: N/A
TAGS: EFIN, PO, UK
SUBJECT: LOAN TO PORTUGAL OPPOSED IN PRESS REPORT

1. FINANCIAL TIMES MAY 31 CARRIES FOLLOWING STORY:
QUOTE: TWO OUT OF FIVE U.S. CONGRESSIONAL COMMITTEES HAVE
REFUSED TO APPROVE A \$300 MILLION LOAN TO PORTUGAL, DIANA
SMITH WRITES FROM LISBON. THIS FOLLOWS THE COLLAPSE OF A
PROPOSED IMF CONSORTIUM LOAN OF \$1.5 BILLION, IN WHICH
PRESIDENT CARTER HAD HOPED COMMON MARKET AND EFTA COUN-
TRIES AS WELL AS CANADA, JAPAN AND VENEZUELA MIGHT PARTI-
CIPATE.

THE IDEA OF THE LOAN HAD BEEN PRINCIPALLY TO HELP COPE
WITH PORTUGAL'S MAMMOTH PAYMENTS DEFICIT, NOW RUNNING AT
OVER \$900 MILLION A YEAR.

HINTS HAVE BEEN DROPPED RECENTLY IN INTERNATIONAL
FINANCIAL CIRCLES THAT PORTUGAL'S FOREIGN CREDITORS ARE
NOT PREPARED TO LEND MONEY INDEFINITELY WITHOUT EVIDENCE
THAT THE PORTUGUESE WILL MAKE RAPID, DRASIC EFFORTS TO
RIGHT THEIR ECONOMY. END QUOTE.

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2. REQUEST GUIDANCE IF APPROPRIATE. ABOVE ARTICLE IS
BOUND TO BE SEEN BY SENIOR OFFICIALS IN PROSPECTIVE
DONOR COUNTRIES WHO MAY QUERY IT.

BREWSTER

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NNN

Message Attributes

Automatic Decaptoning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PRESS COMMENTS, FOREIGN ASSISTANCE PROGRAMS, FINANCIAL AGREEMENTS
Control Number: n/a
Copy: SINGLE
Sent Date: 31-May-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977LONDON08955
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770192-1181
Format: TEL
From: LONDON
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t1977053/aaaaaceu.tel
Line Count: 61
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 13cf428c-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 27-Dec-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2414596
Secure: OPEN
Status: NATIVE
Subject: LOAN TO PORTUGAL OPPOSED IN PRESS REPORT
TAGS: EFIN, PO, UK, FINANCIAL TIMES
To: STATE TRSY
Type: TE
vdkvgwkey: odbc://SAS/SAS.dbo.SAS_Docs/13cf428c-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009